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January 8, 2020

VIA U.S. MAIL & EMAIL

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: GAO Questionnaire

Dear Ms. Boyd:

This letter is provided in response to your request for assistance in answering specific questions (Questions 5-7, and 10) submitted to the Public Service Commission of South Carolina (Commission) from the United States Government Accountability Office (GAO).

We understand that the GAO is reviewing federal and state roles in supporting the reliability of the natural gas pipeline system. Specifically, they are looking at what is currently known about the frequency, causes, and impacts of service interruptions to local distribution companies (i.e., gas utilities) and the extent to which federal and state agencies can mitigate the risk of these interruptions. GAO is performing this work based on a request from Senator Jack Reed, ranking member of the Senate Committee on Appropriations, Housing and Urban Development Subcommittee, and Senator Sheldon Whitehouse.

We provide the following information to your identified questions:

5. **In the last five years, have you seen service interruptions, due to issues with interstate transmission pipelines, to local distribution companies operating in your state? Please explain.**
 - a. Which local distribution companies were involved and where are they located?
 - b. When did this happen?
 - c. About how long did the service interruption to the local distribution company last?
 - d. Did it result in an outage to the local distribution company's end-users (i.e., residences or businesses)?
 - e. What was your state's role in managing the interruption?

ORS Response: No. Of the reported interruptions in service, none have been related to issues with the interstate transmission pipelines. Service interruptions experienced in the last three years have been due to constraints on the local distribution company's (LDCs) system.

- a. LDCs included were Dominion Energy South Carolina (DESC) (formerly South Carolina Electric & Gas Company) and Piedmont Natural Gas Company, Inc (PNG). Regarding Municipalities and Natural Gas Authorities (NGA), ORS does not receive notice of interruptions due to issues with interstate transmission pipelines.
- d. Yes. Customers served under interruptible rates were affected by interruptions in service. These typically include industrial and large commercial customers.
- e. Service interruptions experienced by the LDCs are reported to ORS. They are reviewed on an annual basis pursuant to Section 58-5-400 of the South Carolina Code.

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6. In the last five years, have you seen a change in the frequency or severity of these service interruption(s)? Please explain.

ORS Response: Yes. Over the last three years, the frequency of service interruptions has increased. Five interruptions were reported in 2017, increasing to 15 interruptions reported in 2018 and 10 interruptions reported in 2019.

7. About how many local distribution companies in your state are served by only one interstate transmission pipeline?

ORS Response: PNG and all municipalities and NGAs are served by only one pipeline with these two exceptions: Greenwood Commission of Public Works and DESC.

10. Are there ways in which the federal government could more effectively support your state in ensuring reliable natural gas service?

ORS Response: Streamlining the federal review process could be beneficial.

Regarding the proposed draft response, ORS offers the following observations: (1) we added additional information to the response to Question 3 (see italicized section below); (2) we recommend that when citing to publications that any underlining or added emphasis be reflected; and (3) on page 9 of the response, the quoted section of the Natural Gas Infrastructure Study Committee report is missing footnote 22.

3. Does your state require local distribution companies to report customer natural gas outages or service interruptions (due to any cause) to the state public utility commission? Please explain.

- a. If your state does collect data on natural gas service interruptions to end-users, how is this information used?

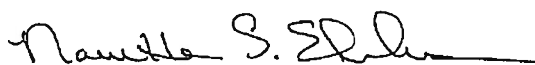
Yes, Section 103-414 requires each utility to notify the Commission and ORS by telephone of any such interruption as soon as practicable after it comes to the attention of the gas utility.

ORS Response: If the interruption is caused by damage, incident, or malfunction in the gas system, ORS Pipeline Safety uses this information as part of its "risk-ranking" of pipeline operators. Risk-ranking uses a variety of factors to determine where ORS should focus its inspections.

The Commission is subject to the Code of Judicial Conduct and operates as a court.

I hope the above information is responsive to your request for assistance.

Sincerely,



Nanette S. Edwards

Enclosures: Email